

NOTICE OF PUBLIC MEETING

TO THE RESIDENTS OF VERNAL CITY: Notice is hereby given that the **VERNAL CITY COUNCIL WILL CONVENE AS THE VERNAL CITY COMMUNITY DEVELOPMENT AND RENEWAL AGENCY** and will hold a Special Meeting on *Wednesday, March 16, 2022 scheduled for 8:15 pm*, following Vernal City Council Meeting in the Vernal City Council Chambers at 374 East Main St, Vernal, Utah.

A G E N D A

1. ACKNOWLEDGMENT & APPROVAL OF SPECIAL MEETING
2. APPROVAL OF MINUTES OF MARCH 2, 2022

POLICY AND LEGISLATION

1. Approval Of Interlocal Agreements with Other Agencies
 - a) Uintah County - Resolution No. 2022-06 - Quinn Bennion
 - b) Uintah Water Conservancy District – Resolution No. 2022-07- Quinn Bennion

ADJOURN

NOTE: In compliance with the Americans with Disabilities Act, individuals needing special accommodations during this meeting should notify Quinn Bennion, 374 East Main, Vernal, Utah 84078 or phone (435)789-2255 at least three days before the meeting.

**MINUTES OF THE VERNAL CITY COMMUNITY DEVELOPMENT AND
RENEWAL AGENCY SPECIAL MEETING HELD MARCH 2, 2022** at 8:15
p.m. in the Vernal City Council room, 374 East Main, Vernal, Utah 84078.

BOARD MEMBERS PRESENT: Nicholas Porter, Dave Everett, Ted Munford, Robin O'Driscoll, Corey Foley and Doug Hammond.

ACKNOWLEDGMENT & APPROVAL OF SPECIAL MEETING: *Board member Nick Porter moved to acknowledge and approve this special meeting. Board member Dave Everett seconded the motion. The motion passed with Board members Porter, Everett, Munford, O'Driscoll, Foley and Hammond voting in favor.*

APPROVAL OF THE MINUTES OF JANUARY 5, 2022: *Board member Nick Porter moved to approve the minutes of January 5, 2022 as written. Board member Dave Everett seconded the motion. The motion passed with Foley, Everett, Munford, Porter, Hammond, and O'Driscoll voting in favor.*

APPROVAL OF INTERLOCAL AGREEMENTS FOR THE DOWNTOWN CRA PROJECT with VERNAL CITY – RESOLUTION NO. 2022-03: Quinn Bennion explained that three of the six taxing entities have approved joining the CDRA for the downtown project. The County had a minor correction before they will approve the agreement. The Uintah Water Conservancy District will discuss this agreement next week and the Uintah Mosquito Abatement District will meet in April. The first agreement is with the City. *Board member Robin O'Driscoll moved to approve the interlocal agreement with Vernal City for the Downtown CRA project, Resolution No. 2022-03. Board member Corey Foley seconded the motion. The motion passed with the following roll call vote:*

Board member Munford.....aye;
Board member O'Driscoll.....aye;
Board member Hammond.....aye;
Board member Everett.....aye;
Board member Porter.....aye;
Board member Foley.....aye.

APPROVAL OF INTERLOCAL AGREEMENTS FOR THE DOWNTOWN CRA PROJECT with UTAH SCHOOL DISTRICT – RESOLUTION NO. 2022-05: Quinn Bennion reported the next agreement is with Uintah School District who is one of the most important participants. *Board member Robin O'Driscoll moved to approve the interlocal agreement with Vernal City for the Downtown CRA project, Resolution No. 2022-03. Board member Corey Foley seconded the motion. The motion passed with the following roll call vote:*

Board member Munford.....aye;
Board member O'Driscoll.....aye
Board member Hammond.....aye;
Board member Everett.....aye;
Board member Porter.....aye;

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD MARCH 2, 2022

Board member Foley..... aye.

APPROVAL OF INTERLOCAL AGREEMENTS FOR THE DOWNTOWN CRA PROJECT with CENTRAL UTAH WATER CONSERVANCY DISTRICT – RESOLUTION NO. 2022-04: *Board member Ted Munford moved to approve the interlocal agreement with Central Utah Water Conservancy District for the downtown CRA Project – Resolution No. 2022-04. Board member Dave Everett seconded the motion. The motion passed with the following roll call vote:*

Board member Munford.....aye;

Board member O’Driscoll aye

Board member Hammond.....aye;

Board member Everettaye;

Board member Porteraye;

Board member Foley..... aye.

ADJOURN: *There being no further business; Board member Nick Porter moved to adjourn. Board member Dave Everett seconded the motion. The motion passed with a unanimous vote and the meeting was declared adjourned.*

Chair Doug Hammond

ATTEST:

Secretary, Roxanne Behunin

(S E A L)

**INTERLOCAL AGREEMENT by and between the VERNAL CITY
COMMUNITY DEVELOPMENT AND RENEWAL AGENCY and
UINTAH COUNTY for the VERNAL DOWNTOWN COMMUNITY
REINVESTMENT PROJECT AREA**

THIS INTERLOCAL AGREEMENT is entered into as of the 7 day of March 2022, by and between the **VERNAL CITY COMMUNITY DEVELOPMENT AND RENEWAL AGENCY**, a political subdivision of the State of Utah (the “**Agency**”), and **UINTAH COUNTY**, a political subdivision of the State of Utah (the “**Taxing Entity**”). The Agency and the Taxing Entity shall be referred to individually as a “**Party**” and collectively as the “**Parties**”.

A. WHEREAS the Agency was created pursuant to the provisions of, and continues to operate under, the Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C of the Utah Code (the “**Act**”), and is authorized thereunder to conduct urban renewal, economic development, community development, and community reinvestment activities within Vernal, Utah, as contemplated by the Act; and

B. WHEREAS the Agency created the Vernal Downtown Community Reinvestment Project Area (the “**Project Area**”) and adopted a community reinvestment project area plan for the Project Area (the “**Project Area Plan**”) on January 5, 2022, which is incorporated herein by this reference, which includes the legal description and a map of the Project Area, pursuant to which the Agency desires to encourage, promote and provide for desirable development within the Project Area; and

C. WHEREAS the Taxing Entity and the Agency have determined that it is in the interests of the Taxing Entity to provide certain financial assistance through the use of Tax Increment (as defined below) in connection with the development of the Project Area as set forth in the Project Area Plan; and

D. WHEREAS the Agency anticipates providing a portion of the tax increment (as defined in Utah Code Annotated (“UCA”) § 17C-1-102(61) (hereinafter “**Tax Increment**”), created by development within the Project Area to encourage desirable development within the Project Area; and

E. WHEREAS UCA § 17C-5-204(3) authorizes the Taxing Entity to consent to the payment to the Agency of all or a portion of the Taxing Entity’s share of Tax Increment generated from the Project Area for the purposes set forth therein; and

F. WHEREAS UCA § 11-13-215 further authorizes the Taxing Entity to share its tax and other revenues with the Agency; and

G. WHEREAS in order to facilitate development of the Project Area, the Taxing Entity desires to pay to the Agency a portion of the Taxing Entity's share of Tax Increment generated by development within the Project Area in accordance with the terms of this Agreement; and

H. WHEREAS the provisions of applicable Utah State law shall govern this Agreement, including the Act and the Interlocal Cooperation Act, Title 11 Chapter 13 of the UCA, as amended (the "**Cooperation Act**").

NOW, THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Taxing Entity's Consent.

a. Pursuant to Section 17C-5-204(4) of the Act and Section 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the Agency shall be paid a portion of the Taxing Entity's share of the Tax Increment from the Project Area (the "**Taxing Entity's Share**") for up to twenty (20) consecutive years following the date on which the Agency begin collecting Tax Increment from the Project Area, as follows:

- (i) Year 1 through year 5: Agency receives ninety percent (90%) of the Tax Increment generated within the Project Area
- (ii) Year 6 through year 15: Agency receives seventy five percent (75%) of the Tax Increment generated within the Project Area
- (iii) Year 16 through year 20: Agency receives fifty percent (50%) of the Tax Increment generated within the Project Area

The Agency may begin collecting increment, or "trigger" the collection of Tax Increment, upon written notice to the Taxing Entity and to Uintah County. Regardless of the date for which the Agency begins collecting Tax Increment under this Agreement, the Agency shall not collect Tax Increment for any period beyond December 31, 2042. The date that the Agency begins collecting Tax Increment under this Agreement shall be on January 1 of the particular year. For the sake of illustration only, this subsection requires that the Agency begin collecting Tax Increment no later than January 1, 2023 in order to receive the full 20 years of Tax Increment contemplated by this Agreement.

b. The Taxing Entity's Share shall be used for the purposes set forth in the Act as reflected herein and in the Project Area Documents and shall be disbursed as specified herein.

The calculation of annual Tax Increment shall be made using (a) the Taxing Entity's tax levy rate during the year for which Tax Increment is to be paid and (b) the base year value for purposes of calculating Tax Increment shall be value of all taxable property within the Project Area as of January 1, 2021, which taxable value is subject to adjustment as required by law.

c. All centrally-assessed property existing within the Project Area as of the date of this Agreement, if any, shall be excluded from the calculation of Tax Increment under this Agreement. However, any new centrally assessed property constructed within the Project Area in connection with the Project shall be considered as new incremental value for purposes of calculating Tax Increment pursuant to this Agreement.

d. The Taxing Entity hereby authorizes and directs Uintah County to pay directly to the Agency the Taxing Entity's Share in accordance with UCA § 17C-5-206 for the period described herein or until the total amount paid by the Taxing Entity reaches the cumulative amount paid cap as defined within this section.

e. Of the amounts received by the Agency, the Agency may retain ten percent (10%) of the total Taxing Entity's Share each year to be used for affordable housing purposes as described in UCA § 17C-5-307(3).

f. Notwithstanding any other provision in this Agreement, the total cumulative amount paid to the Agency pursuant to this Agreement shall not exceed nine hundred eighty thousand dollars (\$980,000).

2. **Authorized Uses of Tax Increment.** The Parties agree that the Agency may apply the Taxing Entity's Share to the payment of any of the components of the development within the Project Area and related purposes, including the following:

a. Incentives to businesses and property owners within the Project Area pursuant to formal assistance programs established by the Agency, such as a façade matching grant program and a building demolition grant program; provided, however, that a property or property owner seeking to receive such assistance from the Agency must have timely paid all real and personal property taxes relating to that property as a precondition to any assistance offered by or through the Agency.

b. Financial incentives or other development assistance to promote and encourage significant and desirable development projects within the Project Area; provided, however, that a property or property owner seeking to receive such assistance from the Agency must have timely paid all real and personal property taxes relating to that property as a precondition to any assistance offered by or through the Agency.

c. Installation and maintenance of public infrastructure and other improvements located within the Project Area.

d. Administrative, overhead, legal, and other operating expenses of the Agency; provided, however, that the annual amount of the Taxing Entity's Share used for such Agency administrative expenses shall not exceed the lesser of (i) five percent (5%) of the total tax increment received by the Agency or (ii) three hundred sixty dollars (\$360.00).

3. **Return of Tax Increment to the Taxing Entity.** If the Agency, in its sole discretion, is unable to utilize the full amount of the Taxing Entity's Share for the uses authorized in Section 2, above, then the Agency shall return to the Taxing Entity that portion of that Taxing Entity's Share that the Agency is unable to utilize.

4. **Consent to Project Area Budget.** As required by UCA § 17C-5-304, the Taxing Entity consents to the Project Area Budget adopted by the Agency for the Project Area.

5. **No Third-Party Beneficiary.** Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the parties to this Agreement, no person or entity is an intended third-party beneficiary under this Agreement.

6. **Due Diligence.** Each of the Parties acknowledges for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts upon which this Agreement is based, including representations of the Agency concerning the Project and the Project's benefits to the community and to the Parties, and each Party relies upon its own understanding of the relevant law and facts, information, and representations, after having completed its own due diligence and investigation.

7. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act.

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Section 11-13-202.5(3) of the Cooperation Act.

c. A copy of this executed Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Cooperation Act.

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act.

e. The term of this Agreement shall commence on the publication of the notice required by Section 17C-5-205 of the Act and shall continue through the date on which all of each Taxing Entity's Share has been paid to and disbursed by the Agency as provided herein or the date when the Agency ceases to receive such Tax Increment pursuant to Section 1.

f. Following the execution of this Agreement by all Parties, the Agency shall cause a notice regarding this Agreement to be published on behalf of all parties in accordance with Section 11-13-219 of the Cooperation Act and Section 17C-5-205 of the Act.

g. As this Agreement does not create a separate interlocal entity, it makes no provision for voting or for the parties acquiring, holding and disposing of real and personal property used in the joint undertaking as such actions are not contemplated as part of this Agreement nor part of the undertaking. However, to the extent that this Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.

6. **Modification and Amendment.** Any modification of or amendment to any provision contained herein, including withdrawal of or termination by a Party, shall be effective only if the modification or amendment is in writing and signed by all Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

7. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the others, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement. Further, in the event of any question regarding the calculation or payment of amounts contemplated hereunder, the Parties shall cooperate in good faith to resolve such issue.

8. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

9. **Interpretation.** The terms "include," "includes," "including" when used herein shall be deemed in each case to be followed by the words "without limitation."

10. **Severability.** If any provision of this Agreement is held to be invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,

- a. such holding or action shall be strictly construed;
- b. such provision shall be fully severable;
- c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;
- d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and
- e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use reasonable efforts to negotiate in good faith a substitute, legal, valid, and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

11. **Authorization.** Each of the Parties hereto represents and warrants to the other that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

12. **Time of the Essence.** Time is of the essence in the performance of this Agreement.

13. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated by reference as part of this Agreement.

14. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement

15. **Incorporation of Exhibits.** Any exhibits to this Agreement are hereby incorporated by reference as part of this Agreement.

ENTERED into as of the day and year first above written.

[Remainder of page intentionally left blank; signature pages to follow]

Agency:

**VERNAL CITY COMMUNITY
DEVELOPMENT AND RENEWAL AGENCY**

By: _____
Doug Hammond, Chair

Attest:

Roxanne Behunin, Secretary

Attorney Review of Interlocal Agreement:

The undersigned, an attorney licensed to practice in the State of Utah, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Adam S. Long

[signatures continue]

[additional signatures to interlocal agreement]

Taxing Entity:

UINTAH COUNTY

By: B. Haslam
Name: Bart Haslam
Title: Commissioner

Attest:

Michael W. Wilkins
Name: Michael W. Wilkins
Title: clerk-auditor



Attorney Review of Interlocal Agreement:

The undersigned, an attorney licensed to practice in the State of Utah, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

J. Steamer
Name: Jonathan A. Steamer
Title: Chief Deputy
Uintah County Attorney

RESOLUTION NO. 2022-06

RESOLUTION OF THE VERNAL CITY COMMUNITY DEVELOPMENT AND RENEWAL AGENCY APPROVING AN INTERLOCAL AGREEMENT WITH THE UTAH COUNTY FOR THE VERNAL DOWNTOWN COMMUNITY REINVESTMENT PROJECT AREA

WHEREAS, after analysis and consideration of relevant information, Uintah County (the “**Taxing Entity**”) and the Vernal City Community Development and Renewal Agency (the “**Agency**”) desire to approve and enter into the Interlocal Agreement attached hereto as Exhibit “**A**,” whereby the Taxing Entity consents to the Agency receiving certain property tax increment from the Vernal Downtown Community Reinvestment Project Area (the “**Project Area**”) attributable to the Taxing Entity’s tax levy and that such tax increment be used to fund the Project Area and the Vernal Downtown Community Reinvestment Project Area Plan (the “**Plan**”); and

WHEREAS, Section 11-13-202.5, Utah Code Annotated 1953, as amended, requires certain interlocal agreements be approved by resolution of the legislative body, governing board, council or other governing body of a public agency; and

WHEREAS, Section 17C-4-201, Utah Code Annotated 1953, as amended, allows for the consent of a Taxing Entity to be expressed in an interlocal agreement.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE VERNAL CITY BOARD OF THE COMMUNITY DEVELOPMENT AND RENEWAL AGENCY THAT:

1. The Interlocal Agreement between the Taxing Entity and the Agency attached hereto is approved and shall be executed by the Taxing Entity, by signature of the appropriate person(s); and
2. The Agency is allowed to collect the Taxing Entities portion of the tax increment in accordance with the terms and conditions outlined in the Interlocal Agreement; and
3. Pursuant to Section 11-13-202.5, Utah Code Annotated, 1953 as amended, said Interlocal Agreement shall be submitted to legal counsel of the Taxing Entity for review and signature indicating approval as to proper form and compliance with applicable law; and
4. Pursuant to Section 11-13-209, Utah Code Annotated, 1953 as amended, a duly executed original counterpart of said Interlocal Agreement shall be filed after adoption with the keeper of records of the Taxing Entity; and

5. Pursuant to Section 11-13-219(3) (0) (ii), Utah Code Annotated, 1953 as amended, this Resolution and the Interlocal Agreement shall be available at the principal place of business of the Agency, during regular business hours for 30 days after the publication of the notice of this Resolution and/or the Interlocal Agreement pursuant to Section 11-13-219.

6. In the event this Interlocal Agreement is not adopted by the Taxing Entity, the Interlocal Agreement attached to this resolution shall become null and void, and all terms and conditions of the Interlocal Agreement shall be terminated.

This Resolution shall take effect upon adoption.

APPROVED AND ADOPTED on the 16th day OF March, 2022.

Doug Hammond, Chair

ATTEST:

Roxanne Behunin, Secretary

(S E A L)

**INTERLOCAL AGREEMENT by and between the VERNAL CITY
COMMUNITY DEVELOPMENT AND RENEWAL AGENCY and
UINTAH WATER CONSERVANCY DISTRICT for the VERNAL
DOWNTOWN COMMUNITY REINVESTMENT PROJECT AREA**

THIS INTERLOCAL AGREEMENT is entered into as of the ____ day of _____, 2022, by and between the **VERNAL CITY COMMUNITY DEVELOPMENT AND RENEWAL AGENCY**, a political subdivision of the State of Utah (the “**Agency**”), and **UINTAH WATER CONSERVANCY DISTRICT**, a political subdivision of the State of Utah (the “**Taxing Entity**”). The Agency and the Taxing Entity shall be referred to individually as a “**Party**” and collectively as the “**Parties**”.

A. WHEREAS the Agency was created pursuant to the provisions of, and continues to operate under, the Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C of the Utah Code (the “**Act**”), and is authorized thereunder to conduct urban renewal, economic development, community development, and community reinvestment activities within Vernal, Utah, as contemplated by the Act; and

B. WHEREAS the Agency created the Vernal Downtown Community Reinvestment Project Area (the “**Project Area**”) and adopted a community reinvestment project area plan for the Project Area (the “**Project Area Plan**”) on January 5, 2022, which is incorporated herein by this reference, which includes the legal description and a map of the Project Area, pursuant to which the Agency desires to encourage, promote and provide for desirable development within the Project Area; and

C. WHEREAS the Taxing Entity and the Agency have determined that it is in the interests of the Taxing Entity to provide certain financial assistance through the use of Tax Increment (as defined below) in connection with the development of the Project Area as set forth in the Project Area Plan; and

D. WHEREAS the Agency anticipates providing a portion of the tax increment (as defined in Utah Code Annotated (“**UCA**”) § 17C-1-102(61) (hereinafter “**Tax Increment**”)), created by development within the Project Area to encourage desirable development within the Project Area; and

E. WHEREAS UCA § 17C-5-204(3) authorizes the Taxing Entity to consent to the payment to the Agency of all or a portion of the Taxing Entity’s share of Tax Increment generated from the Project Area for the purposes set forth therein; and

F. WHEREAS UCA § 11-13-215 further authorizes the Taxing Entity to share its tax and other revenues with the Agency; and

G. WHEREAS in order to facilitate development of the Project Area, the Taxing Entity desires to pay to the Agency a portion of the Taxing Entity's share of Tax Increment generated by development within the Project Area in accordance with the terms of this Agreement; and

H. WHEREAS the provisions of applicable Utah State law shall govern this Agreement, including the Act and the Interlocal Cooperation Act, Title 11 Chapter 13 of the UCA, as amended (the "**Cooperation Act**").

NOW, THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Taxing Entity's Consent.

a. Pursuant to Section 17C-5-204(4) of the Act and Section 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the Agency shall be paid a portion of the Taxing Entity's share of the Tax Increment from the Project Area (the "**Taxing Entity's Share**") for up to twenty (20) consecutive years following the date on which the Agency begin collecting Tax Increment from the Project Area, as follows:

- (i) Year 1 through year 5: Agency receives ninety percent (90%) of the Tax Increment generated within the Project Area
- (ii) Year 6 through year 15: Agency receives seventy five percent (75%) of the Tax Increment generated within the Project Area
- (iii) Year 16 through year 20: Agency receives fifty percent (50%) of the Tax Increment generated within the Project Area

The Agency may begin collecting increment, or "trigger" the collection of Tax Increment, upon written notice to the Taxing Entity and to Uintah County. Regardless of the date for which the Agency begins collecting Tax Increment under this Agreement, the Agency shall not collect Tax Increment for any period beyond December 31, 2042. The date that the Agency begins collecting Tax Increment under this Agreement shall be on January 1 of the particular year. For the sake of illustration only, this subsection requires that the Agency begin collecting Tax Increment no later than January 1, 2023 in order to receive the full 20 years of Tax Increment contemplated by this Agreement.

b. The Taxing Entity's Share shall be used for the purposes set forth in the Act as reflected herein and in the Project Area Documents and shall be disbursed as specified

herein. The calculation of annual Tax Increment shall be made using (a) the Taxing Entity's tax levy rate during the year for which Tax Increment is to be paid and (b) the base year value for purposes of calculating Tax Increment shall be value of all taxable property within the Project Area as of January 1, 2021, which taxable value is subject to adjustment as required by law.

c. All centrally-assessed property existing within the Project Area as of the date of this Agreement, if any, shall be excluded from the calculation of Tax Increment under this Agreement. However, any new centrally assessed property constructed within the Project Area in connection with the Project shall be considered as new incremental value for purposes of calculating Tax Increment pursuant to this Agreement.

d. The Taxing Entity hereby authorizes and directs Uintah County to pay directly to the Agency the Taxing Entity's Share in accordance with UCA § 17C-5-206 for the period described herein or until the total amount paid by the Taxing Entity reaches the cumulative amount paid cap as defined within this section.

e. Of the amounts received by the Agency, the Agency may retain ten percent (10%) of the total Taxing Entity's Share each year to be used for affordable housing purposes as described in UCA § 17C-5-307(3).

f. Notwithstanding any other provision in this Agreement, the total cumulative amount paid to the Agency pursuant to this Agreement shall not exceed one hundred eighty-seven thousand dollars (\$187,000).

2. Authorized Uses of Tax Increment. The Parties agree that the Agency may apply the Taxing Entity's Share to the payment of any of the components of the development within the Project Area and related purposes, including the following:

a. Incentives to businesses and property owners within the Project Area pursuant to formal assistance programs established by the Agency, such as a façade matching grant program and a building demolition grant program.

b. Financial incentives or other development assistance to promote and encourage significant and desirable development projects within the Project Area.

c. Installation and maintenance of public infrastructure and other improvements located within the Project Area.

d. Administrative, overhead, legal, and other operating expenses of the Agency; provided, however, that the annual amount of the Taxing Entity's Share used for such Agency administrative expenses shall not exceed the lesser of (i) five percent (5%) of the total tax increment received by the Agency or (ii) seventy-five dollars (\$75.00).

3. **Return of Tax Increment to the Taxing Entity.** If the Agency, in its sole discretion, is unable to utilize the full amount of the Taxing Entity's Share for the uses authorized in Section 2, above, then the Agency shall return to the Taxing Entity that portion of that Taxing Entity's Share that the Agency is unable to utilize.

4. **Consent to Project Area Budget.** As required by UCA § 17C-5-304, the Taxing Entity consents to the Project Area Budget adopted by the Agency for the Project Area.

5. **No Third-Party Beneficiary.** Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the parties to this Agreement, no person or entity is an intended third-party beneficiary under this Agreement.

6. **Due Diligence.** Each of the Parties acknowledges for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts upon which this Agreement is based, including representations of the Agency concerning the Project and the Project's benefits to the community and to the Parties, and each Party relies upon its own understanding of the relevant law and facts, information, and representations, after having completed its own due diligence and investigation.

7. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act.

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Section 11-13-202.5(3) of the Cooperation Act.

c. A copy of this executed Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Cooperation Act.

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act.

e. The term of this Agreement shall commence on the publication of the notice required by Section 17C-5-205 of the Act and shall continue through the date on which all of each Taxing Entity's Share has been paid to and disbursed by the Agency as provided herein or the date when the Agency ceases to receive such Tax Increment pursuant to Section 1.

f. Following the execution of this Agreement by all Parties, the Agency shall cause a notice regarding this Agreement to be published on behalf of all parties in accordance with Section 11-13-219 of the Cooperation Act and Section 17C-5-205 of the Act.

g. As this Agreement does not create a separate interlocal entity, it makes no provision for voting or for the parties acquiring, holding and disposing of real and personal property used in the joint undertaking as such actions are not contemplated as part of this Agreement nor part of the undertaking. However, to the extent that this Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.

6. **Modification and Amendment.** Any modification of or amendment to any provision contained herein, including withdrawal of or termination by a Party, shall be effective only if the modification or amendment is in writing and signed by all Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

7. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the others, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement. Further, in the event of any question regarding the calculation or payment of amounts contemplated hereunder, the Parties shall cooperate in good faith to resolve such issue.

8. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

9. **Interpretation.** The terms “include,” “includes,” “including” when used herein shall be deemed in each case to be followed by the words “without limitation.”

10. **Severability.** If any provision of this Agreement is held to be invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,

- a. such holding or action shall be strictly construed;
- b. such provision shall be fully severable;
- c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;

d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and

e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use reasonable efforts to negotiate in good faith a substitute, legal, valid, and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

11. **Authorization.** Each of the Parties hereto represents and warrants to the other that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

12. **Time of the Essence.** Time is of the essence in the performance of this Agreement.

13. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated by reference as part of this Agreement.

14. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement

15. **Incorporation of Exhibits.** Any exhibits to this Agreement are hereby incorporated by reference as part of this Agreement.

ENTERED into as of the day and year first above written.

[Remainder of page intentionally left blank; signature pages to follow]

Agency:

**VERNAL CITY COMMUNITY
DEVELOPMENT AND RENEWAL AGENCY**

By: _____
Doug Hammond, Chair

Attest:

Roxanne Behunin, Secretary

Attorney Review of Interlocal Agreement:

The undersigned, an attorney licensed to practice in the State of Utah, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Adam S. Long

[signatures continue]

[additional signatures to interlocal agreement]

Taxing Entity:

UINTAH WATER CONSERVANCY DISTRICT

By: _____

Name:

Title:

Attest:

Name:

Title:

Attorney Review of Interlocal Agreement:

The undersigned, an attorney licensed to practice in the State of Utah, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Name:

Title:

RESOLUTION NO. 2022-07

RESOLUTION OF THE VERNAL CITY COMMUNITY DEVELOPMENT AND RENEWAL AGENCY APPROVING AN INTERLOCAL AGREEMENT WITH THE UTAH WATER CONSERVANCY DISTRICT FOR THE VERNAL DOWNTOWN COMMUNITY REINVESTMENT PROJECT AREA

WHEREAS, after analysis and consideration of relevant information, the Uintah Water Conservancy District (the “**Taxing Entity**”) and the Vernal City Community Development and Renewal Agency (the “**Agency**”) desire to approve and enter into the Interlocal Agreement attached hereto as Exhibit “**A**,” whereby the Taxing Entity consents to the Agency receiving certain property tax increment from the Vernal Downtown Community Reinvestment Project Area (the “**Project Area**”) attributable to the Taxing Entity’s tax levy and that such tax increment be used to fund the Project Area and the Vernal Downtown Community Reinvestment Project Area Plan (the “**Plan**”); and

WHEREAS, Section 11-13-202.5, Utah Code Annotated 1953, as amended, requires certain interlocal agreements be approved by resolution of the legislative body, governing board, council or other governing body of a public agency; and

WHEREAS, Section 17C-4-201, Utah Code Annotated 1953, as amended, allows for the consent of a Taxing Entity to be expressed in an interlocal agreement.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE VERNAL CITY BOARD OF THE COMMUNITY DEVELOPMENT AND RENEWAL AGENCY THAT:

1. The Interlocal Agreement between the Taxing Entity and the Agency attached hereto is approved and shall be executed by the Taxing Entity, by signature of the appropriate person(s); and
2. The Agency is allowed to collect the Taxing Entities portion of the tax increment in accordance with the terms and conditions outlined in the Interlocal Agreement; and
3. Pursuant to Section 11-13-202.5, Utah Code Annotated, 1953 as amended, said Interlocal Agreement shall be submitted to legal counsel of the Taxing Entity for review and signature indicating approval as to proper form and compliance with applicable law; and

4. Pursuant to Section 11-13-209, Utah Code Annotated, 1953 as amended, a duly executed original counterpart of said Interlocal Agreement shall be filed after adoption with the keeper of records of the Taxing Entity; and

5. Pursuant to Section 11-13-219(3) (0) (ii), Utah Code Annotated, 1953 as amended, this Resolution and the Interlocal Agreement shall be available at the principal place of business of the Agency, during regular business hours for 30 days after the publication of the notice of this Resolution and/or the Interlocal Agreement pursuant to Section 11-13-219.

6. In the event this Interlocal Agreement is not adopted by the Taxing Entity, the Interlocal Agreement attached to this resolution shall become null and void, and all terms and conditions of the Interlocal Agreement shall be terminated.

This Resolution shall take effect upon adoption.

APPROVED AND ADOPTED on the 16th day OF March, 2022.

Doug Hammond, Chair

ATTEST:

Roxanne Behunin, Secretary

(S E A L)